"STEVIE"
Portrait of a Hedge Fund Douchebag
SOME SAY HE'S COHEN TO PRISON
What Will Happen to the Mets?
Inside Look at Most Punchable Face 2021 Finalist!

STEVIE FRANCHISE'S GREATEST HITS

Childhood or Whatever
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“Trading is a tough game. Don’t you think?“

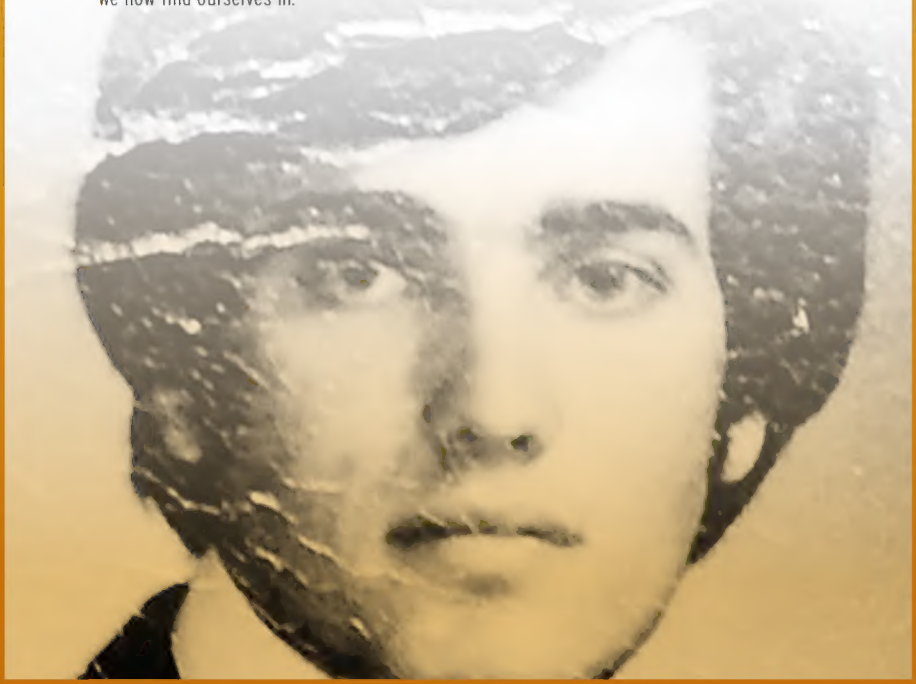
Editor’s Note

Well well well. Six months deep into the GME trade, mere months from The Greatest Depression, or what I’ve affectionately dubbed ‘Weimar Republic Two: Hyper-Stagflation Boogaloo’. Most of my fellow Redditors know me as ‘Broviet’, but that’s not really the target demographic for this piece. The E-Ape that shows this to you may have already talked your ear off about Gamestop and its broader market implications, but you may not be familiar with the shortlist of truly deplorable human beings behind the impending market crash, and the subsequent recession that investing legends like Jeremy Grantham are predicting will be the worst in a century.

I find this to be entirely untenable. These intensely private individuals lurk behind the scenes, never letting the spotlight rightfully fall where it belongs. This is just the first in a series of works in which I will endeavor to expose these malicious actors for the monsters they truly are. When our world once again goes to shit, we want...nay, NEED you to understand precisely who to hate. What’s coming will be painful and divisive, but if we all come together, we can ensure this never happens again. Much love, y’all.

Risky Business: Early Life

A self-described risk-taker from an early age, Steven A. Cohen credits his love of poker for the cultivation of this trait. Some might say he carried this forward into his professional life. Poker is, after all, gambling. And in gambling, even the best of the best are susceptible to random chance. A gambler is always looking for any 'edge' to sway the odds in their favor. After high school, Cohen went on to attend the prestigious Wharton School....or so he'd have you think. Steve has apparently gone to great lengths to ensure that his Wikipedia and other biographical pages list Wharton as his education, while graduates of the real Wharton MBA program lament 18 year olds riding their accomplished coat-tails. Rather fitting, as Cohen would go on to make an entire career out of misrepresenting the facts. That has always been his 'edge', and it's a major contributor to the perilous situation we now find ourselves in.



If it looks like a fuck, trades like a fuck, hides like a fuck, then...

Gruntal & Co. was the first firm Cohen landed a gig with after "Wharton", a boutique investment banking and brokerage firm on Wall St, as a junior trader in the options arbitrage group. According to legend, Cohen made $8,000 on his first day trading, and was bringing in $100,000 a day during the height. He performed so well, in fact, that he aroused suspicion from the SEC regarding possible insider trading.

Even as a fresh-faced youngster in the 80's, however, Cohen was prepared for this scrutiny that would hound him until present day. He invoked his right against self-incrimination, taking the 5th.

Left to his own devices until 1992, he accumulated enough wealth and reputation to strike out on his own, starting S.A.C Capital Advisors. S.A.C., named after none other than Cohen himself (pretty narcissistic for such a private guy!) would go on to become the world's most profitable hedge fund, managing $14 billion by 2009. S.A.C. was known for its "mosaic theory of investing", where investments are made after "gathering stock information from a variety of sources". Later on it would be discovered that this "variety of sources" wasn't always comprised entirely of what you might call "legal" sources.

Cohen would go on to open offices in Connecticut, Chicago, Hong Kong, Singapore, Tokyo, London, and many other cities. Immense success naturally gave way to intense pressure to perform, and while we can only speculate how far back the dishonesty goes, 2006 brought about Cohen's first brush with what he would later come to be known, and loathed, for: shorting. Biovail filed suit against S.A.C. for manipulating reports about the pharma company in order to tank their stock price.

In 2009, Cohen would go on to be sued by his ex-wife Patricia for racketeering and insider trading charges. While this case was initially dismissed, an appeals court revived the claims of racketeering and breach of fiduciary duty. S.A.C. would go on to reach two civil insider trading settlements totaling nearly $616 million with the SEC. Naturally, S.A.C completely denied any wrongdoing in either case. A narrow escape, but these would be just the first of many controversies around Steven A. Cohen...

THE SECRET INGREDIENT IS CRIME

Here is where most people might stop and re-evaluate. What good is all that money if you're too incarcerated to spend it? Not our boy Stevie! In 2012, Cohen was implicated in an insider trading scandal that included an ex-S.A.C. manager named Matthew Martoma. Martoma went on to be convicted in 2014, in what federal prosecutors called "the most profitable insider-trading conspiracy in history". S.A.C. paid $1.8 billion in penalties and received a ban on managing outside money, effectively killing the firm. The SEC went on to bring a civil suit against Cohen, who had since gone on to found Point72, stating that Cohen had failed to adequately supervise Martoma and other employees. The settlement of his case in 2016 also carried a ban on Cohen managing any outside investor money until 2018. Despite the two year ban, most agree he got off with a slap on the wrist, seeing that Cohen was himself "the living, breathing heart of S.A.C. Capital."

While all of this was going on, S.A.C. and Cohen were also embroiled in a sexual-harassment suit from former trader Andrew Tong against trader Ping Jiang, Tong's former boss. Jiang required Mr. Tong to wear subtle feminine attire in the workplace during work hours, more feminine attire after hours, even forcing him to undress and model various outfits and put on makeup. He was forced to take female hormones, and to perform oral sex on Jiang as a condition of Jiang authorizing his trades. "You'll have to give me a blowjob if you want to make that trade." It gets worse, but suffice to say, that went on for an entire year, and only stopped when he was fired for losing money on a trade that he himself admits was "manipulative".

Mr. Tong lost his case. The only positive that came out of it was his psychiatric evaluation seeing the light of day. "He wanted to learn how to become a great financial success. As a result, he did not mind wearing women's clothing or taking hormones. He said that if he became a successful millionaire, no one would care..."

As positively horrifying as that story is, even scarier is the fact that this could all go on either unnoticed or unobstructed. Then again, Tong himself said: "Steve Cohen only wants us to make money, he doesn't care or want to know our secrets to make money."

THE GREAT ESCAPE ARTIST: A RUNNING TALLY

Monitored by the SEC throughout the 80s for suspected insider trading activity

Biovail lawsuit alleging Cohen had intentionally shorted their stock into the ground

Lawsuit from ex-wife Patricia alleging racketeering and insider trading

Civil insider trading settlements with the SEC totaling $616 million

2012 insider trading scandal, most profitable insider trading conspiracy in history, resulting in $1.8 billion in penalties

Banned from managing outside money from 2016-2018

Civil suit alleging he failed to adequately supervise multiple employees

Sexual-harassment suit against S.A.C. involving egregious behavior and gross negligence

A short here, a settlement there, and we arrive at today!

One would think, after all that drama and a two-year "dumb money" trading ban, Stevie Boy would've learned his lesson by now. No such luck, I'm afraid. As it turns out, ol' Steve is once again up to no good, and has been a major culprit in the can-kicking of 2008 which is just now beginning to rear its ugly head once again.

As I'm sure many of you have heard from friends and family that may be involved, another example of a quality company being "naked shorted" into near-insolvency by Cohen and his ilk would be Gamestop. For more information on the mechanics involved in naked shorting, kindly ask the person who showed you this to help you over to /r/Superstonk, where hundreds of thousands of people just like you are waiting to help. Rest assured, it's bad. REAL bad. For me, you, yours. Everyone but them. In January of this year, Steven A. Cohen's Point72 joined forces with Ken Griffin's Citadel to bail out Melvin Capital with a $2.75 billion capital infusion. Melvin, home of Cohen's protege Gabe Plotkin, had been aggressively naked shorting Gamestop, along with a myriad of other quality companies. We may yet win our fight with them, but that is besides the point. These actions not only unjustly enrich men like Cohen, funneling money from Main St to Wall St, but they cost jobs. Pensions. Lives. Think Toys R Us. Think Sears. Cohen has remained defiant, tweeting that he was just "trying to make a living." God forbid he be asked to care about your living.

Oh yeah, he just recently settled another lawsuit. Something about women being uncomfortable with a "Pussy Board" in the conference room. Probably nothing to worry about. But just in case, keep this asshole in mind when the market dies.

Go Mets.